

PERFORMANCE WORK STATEMENT (PWS)

FOR

THIRD PART LOGISTICS (3PL)

HAZARDOUS MATERIAL

SUPPORT

SECTION C THIRD PARTY LOGISTICS SUPPORT (3PL)

SECTION C-1 Introduction

This Performance Work Statement (PWS) describes the performance requirements for commercial Third Party Logistics (3PL) support for Hazardous Material (HAZMAT) at designated Navy Regional Hazardous Minimization Centers (HMCs). The contractor shall provide supply support functions as defined in the PWS under the guidelines of the Consolidated HAZMAT Reutilization and Inventory Management Program (CHRIMP), per OPNAVINST 5090.1 Series, P409 and COMFISCS INST 5090.1 Series policies and procedures. CHRIMP serves as a fundamental element of the Navy's life-cycle control and management of HAZMAT and HAZWASTE. CHRIMP promotes compliance with a broad range of federal, state, and local environmental rules and regulations by mandating procedures to control, track, and reduce the variety and quantity of HAZMAT in use, both ashore and afloat. CHRIMP establishes Hazardous Minimization Centers (HMCs), which serve as HAZMAT inventory control centers for customer defined, Environmental and Safety Approved Authorized User Lists (AULs), HAZMAT products used by Navy installations. The contractor shall provide HAZMAT inventory to include receipt of customer requests and order fulfillment for HAZMAT products.

C-1.1 Objective

Specific responsibilities associated with this requirement include full supply chain management for established levels of HAZMAT inventory at each installation as specified within the PWS. The contractor shall provide the required trained personnel, supervision, 3PL materials acquisition, Point of Sale and other items necessary. All 3PL HAZMAT requirements are expected to be fulfilled within Required Delivery Dates (RDD) for installation (host) work centers, tenant activities, contractor operations, afloat and transient activity customers. The stated objectives and expected outcomes are as follows:

1. A reduction in HAZMAT costs
2. The reduction of time required by FLC San Diego customers to accomplish mission tasks by streamlining processes and improving 3PL HAZMAT availability

C-2 General Scope of Work

The contractor shall manage the total work effort associated with (3PL) supply chain and inventory management, including point-of-sale (POS) transactions for contractor owned material required, herein to ensure fully adequate, timely, and efficient support for customer HAZMAT requirements. The methodology used to perform these functions is at the discretion of the contractor so long as it is effective and efficient without increasing cost or risk to mission performance for the customer. The contractor shall focus on detail level management and flexibility, accommodating changes in laws, regulations, technology, and site specific requirements.

C-.2.1 Area of Responsibility

FLC San Diego (FLCSD) is regionally responsible for all supply operations, to include CHRIMP, at bases in the Southwest Region. The FLCSD Commanding Officer is responsible to both Commander Navy Region Southwest and Commander NAVSUP Global Logistics Services (GLS) in the performance of these duties. The Southwest Region is comprised of geographically dispersed bases and supports a variety of Navy, Non-Navy and Marine Corps activities. In general terms Southwest Region encompasses all of California, Nevada and Arizona, however not all Navy installations pertain to this PWS. The following (Table 1) shows HMCs and Partner Sites that make up the current FLCSD AOR:

Note: Partner Sites do not have an HMC on the installation and receive all HAZMAT support through their listed HMC.

Table 1: Current HMC Operations

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| <ul style="list-style-type: none">• Naval Station San Diego, 32nd Street, Bldg 3322 (Regional HMC)
Naval Base Point Loma, to include ASW (Partner Site)
Naval Weapons Station Fallbrook (Partner Site)
Naval Weapons Station Seal Beach (Partner Site)
San Clemente Island (Partner Site)
NSWC Corona (Partner Site)• Naval Air Facility (NAF) El Centro (HMC)• Naval Air Station North Island (HMC)
Naval Amphibious Base (Partner Site)
OLF Imperial Beach (Partner Site)• Construction Battalion Center (CBC) Port Hueneme (HMC)
Naval Air Station Pt. Mugu (Partner Site)
San Nicholas Island (Partner Site)• Naval Air Weapons Station China Lake (HMC)• Naval Air Station Lemoore (HMC) |
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C-2.2 Customer Support Hours of Operation

TABLE 2: HMCs Hours of Operations

Installation	Regular Work Week	Hours of Operations
NB San Diego	Monday - Friday	0700-1600
NAS North Island	Monday - Friday	0700-1600
NAF El Centro	Monday – Thursday Friday	0700-1600 0700-1530
CBC Port Hueneme	Monday - Friday	0700-1600
NAWS China Lake	Monday – Friday Closed on Flex Friday	0700-1600
NAS Lemoore	Monday - Friday	0700-1600

C-2.3 Extended Hours of Service

- a) The contractor shall work extended hours on weekends, national holidays or before/after normal working hours when operational requirements dictate as determined by the COR/ACOR or FLC San Diego Commanding Officer. Functions to be performed during extended hours include: materials acquisition, processing GCPC transactions and joint inspection of incoming 3PL HAZMAT deliveries. In the event of an emergency, the Contractor shall be onsite within two hours of callback by the COR/ACOR.
- b) The contractor shall submit to the COR/ACOR, on a monthly basis, complete documentation of actual extended hours worked to include: name, location, duration, labor category, and detailed summary of work performed.

C-2.3.2 Crisis/Unforeseen Circumstance

- a) Performance of Services during Crisis Declared by the National Command Authority may require HAZMAT support operations to continue as directed by the COR/ACOR. Wherever possible, the Contractor will be provided as much notice as possible prior to a requirement for additional operating hours to support this requirement.
- b) When an unforeseen installation closure occurs on a regularly scheduled day of work, the Government will have the option to reschedule the work to be performed on the

following workday or reschedule the work on any day acceptable to the Government. Installation closures or curtailment of activities may include but not limited to natural disasters, inclement weather and heightened security conditions. Base or installation closure notification is provided by radio, television or base telephone information systems. HAZMAT service and HMC operations are considered essential at ALL SW Region sites identified under this contract.

C-2.3.4 Federal Holidays

For the purpose of this contract, the following are recognized as Federal holidays: In the event the President or any other authorized person declares a holiday for military members or for Government employees, such declaration will ordinarily not affect contractor performance.

Observed Federal Holidays	
New Year's Day	Martin Luther King Day
Presidents Day	Memorial Day
Independence Day	Labor Day
Columbus Day	Veterans Day
Thanksgiving Day	Christmas Day

C-2.4 Key Personnel

C-2.4.1 Project Management

- a) The Contractor shall provide overall management coordination and designate a Program Manager (PM) to serve as the central Point of Contact (POC) with the Government for performance of all work under the PWS. The Contractor shall designate an Alternate POC who shall be authorized to address issues and concerns when PM is absent.
- b) The PM shall respond to all communications from the COR/ACOR. The PM or Alternate POC shall have ability to be contacted during or after normal business hours including weekends and Federal holidays.
- c) The PM shall work from an office, provided by the government located in Building 116, at Naval Station San Diego. All Government business shall be conducted on Government Furnished Equipment (GFE). A work station to include phone service, fax line, computer hardware, LAN connectivity to a shared printer, Internet Access, e-mail capability with .mil addresses will be provided by the Government to PM and contractor personnel working in HMCs listed in table 1. All technical and administrative information

concerning HAZMAT operations and support requirements will be distributed via e-mail, directives, memoranda and other command documentation by the COR.

- d) The contractor will be provided storage for 3PL HAZMAT materials at designated HMCs listed in table 1. Any additional commercial storage outside of designated Government facilities will be at the contractor's expense.
- e) The Program Manager or Alternate POC shall attend contract status, planning and management meetings as required. Meeting schedule is contained in Table 3.
- f) The ACOR will be the primary point of contact for all project operations.

Table 3: 3PL HAZMAT Local Meetings and Conferences

Meeting Name	Frequency	Location
Status Meeting	Weekly	On-site
As required by the ACOR		

C-2.5 Training and Certifications

- a) The Contractor shall comply with the statutory training and certification requirements for personnel who handle; package and transport HAZMAT or HAZWASTE. Table 4 summarizes training and certification requirements of DoD and the Navy, some of which exceeds statutory requirements. All Contractor employees performing work related to this contract shall be trained at Contractor expense IAW this PWS and statutory requirements. Contractor shall provide proof of training to the COR at full contract performance.
- b) Contractor employees shall be trained, qualified, certified or licensed under the requirements specified in Table 4. The Contractor shall maintain records of training qualifications, certifications and licenses on each employee for the duration of their employment. Records shall be kept on file, on-site and made available to the COR/ACOR or any Regulatory Agency Representative upon request.

Table 4: DOD, Navy, and Statutory Required Training

Function	Course/Certification	Initial Training Hours	Refresher Requirement
STATUTORY REQUIREMENTS			
Hazardous Material Operations			
All employees/All Operations	Hazardous Comm. Standards (HAZCOM) 40CFR 1900.1200	4 Hours	Annual
HAZWASTE	Hazardous Waste Site	24 hours	Annual

	Operator		
Off-base HAZMAT Transportation	CDL with “H” Endorsement	N/A	Every 5 years
Spill Prevention	Spill Prevention Control & Countermeasures (SPCC)	2 hours	Annual
NAVY UNIQUE Training Provided by the Government			
Hazardous Material Operations			
GDS Operations	GDS HAZMIN Center Operations (Provided after contract award)	24 hours	As Required
Shelf-life Management	Shelf-life Training	1 hour Refresher	Annual
Other Training Provided by the Government			
IT Security	Computer User Training (Provided after contract award)	1 hour	1 hour annually
All Employees/All Operations	DOD Information Assurance Awareness (Provided after contract award)	2 hours	Annually
All Employees/All Operations	N-ERP Training (as required)	TBD	TBD

C-2.6 Contract Security Requirements

Work under this contract/task order is UNCLASSIFIED.

C-2.6.1 General Security Requirements

- a) Contract employees are required to obtain and maintain, at a minimum, a favorably adjudicated National Agency Check with Local Agency Check and Credit Check (NACLCC) investigation. A NACLCC investigation must be opened and favorable results of the fingerprints received prior to commencement of work and issuance of a Common Access Card (CAC).
- b) The contractor shall comply with all applicable DOD security regulations and procedures. Contractor shall not disclose and must safeguard procurement sensitive information, computer systems and data, privacy act data, controlled unclassified information (CIU), and all government personnel work products that are obtained or generated in the performance of this task order.
- c) Work under this task order requires access to personally identifiable information (PII) and information protected by the Privacy Act of 1974. In addition to the security requirements below, contractors performing work under this task order must meet the

following criteria: Per SECNAV M-5510.30, all individuals with access to PII or Privacy Act information must be US Citizens; therefore US Citizenship is a requirement. In all cases contract employees must meet eligibility requirements for a National Security, Non-Critical Sensitive (NCS) position at a minimum.

NO FOREIGN NATIONAL WILL BE EMPLOYED ON THIS GOVERNMENT CONTRACT.

Pre-employment Actions: All contractor employees, working within DoN Spaces must be entered into the Joint Personnel Adjudication System (JPAS), the facility security officer (FSO) must establish an 'owning' relationship indicating the company's Commercial and Government Entity (CAGE) code. A visit authorization request (VAR) will be submitted to security management office (SMO) code: 002445. The point of contact to be used within the VAR should be the Contracting Officer's Represent (COR). The NAVSUP FLCSD Security Office will then service those individuals in JPAS for tracking and monitoring of their investigation status. The contractor shall provide to all contract employees, picture identification cards.

- a) For contract companies who do not have a FSO, the Chief Executive Officer (CEO)/President shall provide a VAR; written upon company letterhead via facsimile to the receiving command Security Manager, who will then service those individuals in JPAS for tracking and monitoring of their investigation status.
- b) All contractor employees will in-process with the command Security Office and Information Assurance Manager upon arrival to NAVSUP FLCSD and will out-process prior to their departure.
- c) Local controlled unclassified information (CUI) indoctrination will take place at that time.
- d) **Employment Eligibility Verification:** The contractor shall comply with the HSPD-12, E-Verify Federal Acquisition Regulations **FAR Clause 52.222-54**.
- e) The Contractor shall comply with all security requirements in accordance with the directives shown in Section C-6, and site-specific regulations.
- f) All warehousing and offices spaces shall be kept secured unless work is actually being performed in these areas. By the close of the operating period, all equipment, facilities and material shall be secured. Contractor employees shall follow the orders of base or installation security personnel.
- g) Security/identification badges are to be worn over the front of outer clothing, above the waist. These badges shall be worn at all times while on the base or installation and shall be provided for inspection when requested by security personnel, police, and management. The Contractor shall return the employee's pass and badge to the COR/ACOR or designated official NLT COB of the day the employee leaves the Contractor's employment or upon expiration/termination of the contract. All lost badges must be reported immediately to the issuing office. It is the Contractor's responsibility to

recover and turn in a badge should an employee resign without returning to work.

C-2.6.2 Vetting Process

The Contractor (FSO/President/CEO (or person designated in writing by said persons)) will coordinate with the receiving command's Security Manager to ensure that all contractor employees have an Entrance National Agency Check with Local Agency and Credit Checks (NACLIC) package submitted prior to full performance date.

Reminder: A NACLIC investigation must be opened and favorable results of the fingerprints received prior to commencement of work and issuance of a Common Access Card (CAC).

The vetting process begins with the contractor, submitting to the command Security Manager, via the Contracting Officer's Representative (COR) the following:

1. A request for Industrial Security Investigation. This request contains the information required to enter a contractor employee into the e-QIP system. The contractor employee must be listed on the aforementioned VAR prior to sending the request.
2. Proof of Citizenship. Proof of citizenship will be verified by the contractor, COR or Command Security Manager (or designate representative) and a copy of said document shall indicate as "Verified a True Copy" and be signed. Acceptable proof of citizenship includes:
 - a) For individuals born in the United States, a birth certificate is the primary and preferred means of citizenship verification.
 - b) If the individual claims citizenship by naturalization, a certificate of naturalization is acceptable proof of citizenship.
 - c) If citizenship was acquired by birth abroad to a U.S. citizen parent or parents, the following are acceptable evidence:
 1. A Certificate of Citizenship issued by issued by the Department of Homeland Security, U.S. Citizenship and Immigration Services (USCIS) or its predecessor organization.
 2. A Report of Birth Abroad of a Citizen of the United States of America (Form FS-240).
 3. A Certificate of Birth. (Form FS-545 or DS-1350).
 - d) A passport, current or expired, is acceptable proof of citizenship.
 - e) A Record of Military Processing-Armed Forces of the United States (DD Form 1966) is acceptable proof of citizenship, provided it reflects U.S. citizenship.

The command Security Manager will notify the contractor at various stages of the process, at a minimum this will include, when the investigation package has been released to the Office of Personnel Management (OPM) and upon final adjudication.

AN “UNFAVORABLE” OR “NO DETERMINATION” ADJUDICATION OF THE CONTRACTOR EMPLOYEE’S INVESTIGATION WILL RESULT IN IMMEDIATE TERMINATION OF ACCESS TO THE WORKSPACE AND RECORDS.

C-2.6.3 Information Systems Access

The Department of the Navy (DoN) has determined that all DoN Information systems are sensitive regardless of whether the information is classified or unclassified. A contractor whose work involves access to sensitive unclassified information warrants a judgment of an employee's trustworthiness.

Therefore, all personnel accessing DoN Computer systems must undergo investigation for a National Security, Non-Critical Sensitive (NCS) position to verify their trustworthiness.

Department of Navy (DON) policy prescribes that all unclassified data at rest (information stored on a computer or removable media device) that has not been approved for public release and is stored on mobile computing devices shall be treated as sensitive data and encrypted using commercially available encryption technology. A contractor employee, whose work involves access to sensitive unclassified information, warrants a judgment of trustworthiness.

The FSO will ensure that the SAAR-N is forwarded to the NAVSUP FLCSD Security Office for receipt at least one week prior to the start date for the individual.

A NACLIC investigation must be opened and favorable fingerprint results received prior to commencement of work and issuance of a Common Access Card (CAC).

"All authorized users of DoD information systems shall receive initial Information Assurance (IA) orientation as a condition of access and thereafter must complete annual IA awareness refresher training to maintain an active user account." The COR can provide the contractor employee with a current link.

C-2.6.4 Key Control

- a) The Government will issue keys for occupied spaces to the Contractor who shall issue, store and keep them safe IAW local key-control procedures.
- b) The Contractor shall establish a control system to safeguard Government-issued keys to prevent theft, loss or use by unauthorized persons.
- c) The Contractor shall not duplicate Government keys without the Key Control Officer's (KCO) authorization via the COR.

- d) The Contractor shall report to the KCO via the COR any occurrence of a lost key within one working day of discovery of the loss. If the key cannot be found, Contractor shall replace all master locks and keys for that system at no cost to the government and shall coordinate the replacement through the KCO via the COR.
- e) The Contractor shall provide the Government physical proof of all keys issued, for Semi-Annual Key Inventory Report.
- f) The Contractor shall conduct key inventories. The inventory report shall be completed on the first day of full contract performance provided to the COR on the second day. Subsequent inventories shall be submitted semi-annually thereafter, beginning six months after full contract performance date.

C-2.6.5 APPOINTMENT OF CONTRACTING OFFICER'S SECURITY REPRESENTATIVE (COSR)

The Commanding Officer has designated the following individual as the Contracting Officer's Security Representative for this contract:

Name:	Samuel H. Cody
Mailing Address:	ATTN: SAMUEL H. CODY COMMANDING OFFICER FLC SAN DIEGO DEPT 0SD 3985 CUMMINGS ROAD SAN DIEGO CA 92136-4008
Telephone No:	(619) 556-3757
Facsimile No:	(619) 556-6227
E-mail:	samuel.cody@navy.mil

C-2.7 Vehicle Operation

Only licensed Contractor personnel shall operate vehicles on regional installations. Vehicles shall be operated IAW local and state laws as well as installation specific regulations for safety, speed and parking.

C-2.7.1 Privately-Owned Vehicle (POV) Parking

Parking for Contractor personnel POVs may be available in authorized areas on a first-come, first-serve, space-available basis. The Government reserves the right to change parking arrangements at any time.

C-2.7.2 Vehicle Operation

Contractor personnel using POVs on installations in the region shall be properly permitted for entry to the installation. All vehicles on Military installations are subject to search.

C-2.7.3 Traffic Accident Reports

- a) The Contractor shall immediately report to Base Security any traffic accident involving Contractor personnel that occur on base whether in the performance of this contract or commuting in their POV's.
- b) The Contractor shall also provide the COR/ACOR or designated official a copy of any report of an off base traffic accident that involves Contractor personnel in the performance of this contract.
- c) The Contractor shall pay fines, fees, and other costs associated with traffic violations or accidents that are the Contractor's fault and occur while performing work under this contract.

C-2.8 Environmental and Occupational Safety

The Contractor shall comply with all Federal, state and local laws, regulations and Navy requirements (including any permit requirement) for HAZMAT.

C-2.8.1 Spill Prevention and Notification

- a) The Contractor shall comply with all local Spill Prevention and Cleanup Contingency (SPCC) Plans and the Oil and Hazardous Substance Pollution Contingency Plan. The Contractor shall take precautions to avoid the release of hazardous substances into the environment.
- b) The Contractor shall notify the COR/ACOR or HMC Manager immediately upon discovery of any spills or accidental discharge of vendor owned 3PL HAZMAT. The Contractor shall hold the United States, Department of Defense, Department of the Navy, its agents and employees harmless for any associated fines or fees. Contractor shall likewise be responsible, and hold the United States, Department of Defense, Department of the Navy, its agents and employees harmless for any personal or property damage resulting from a 3PL HAZMAT spill, to include but not limited to, the cost of containment, environmental cleanup, disposal, and any other associated costs (non-regulatory) caused by contractor personnel.

- c) The Government will not hold the Contractor responsible for any personal or property damage resulting from a 3PL HAZMAT spill, to include but not limited to, the cost of containment, environmental cleanup, disposal, and any other associated costs (non-regulatory) caused by Government personnel.

C-2.8.2 Occupational Safety Program

- a) The Contractor's Safety Program shall comply with all applicable safety policies and procedures. The Contractor's failure to comply with safety requirements constitutes sufficient grounds for contract termination.
- b) The Contractor shall provide Contractor personnel with necessary safety equipment and personal protection equipment/clothing.
- c) The Contractor shall institute a regular safety-training program for Contractor employees not later than the first day of full contract performance.
- d) The Contractor shall keep records and report all accidents resulting in death, injury, occupational disease, or adverse environmental impact in compliance with OSHA 29 CFR 1904.4 requirements.
- e) The Contractor shall report all accidents within one hour to the COR/ACOR or government HMC manager with basic information of circumstances associated with the incident. Specifics of the accident shall be reported as soon as possible after the accident and not later than the next working day. When an accident involves personal injury or damage to Government property or equipment, the Contractor shall submit a mishap report IAW OPNAVINST 5100.23(series).
- f) Those Contractor personnel who are exposed to hazardous materials in the workplace are required to receive HAZCOM training according to CFR 1910.1200. This training includes instruction on labeling procedures, SDS interpretation, site-specific hazardous material procedures, and non-routine task procedures. The Contractor shall not allow any employee to work in the HMC or handle hazardous material, unless that employee is properly protected and fully trained.

C-2.9 Use of Government Supply Sources

The Contractor shall comply with the requirements of FAR 8.002 and DFARS 208.7000 with acquisition of HAZMAT material from Government supply sources unless a known exception applies.

The Contractor shall obtain a DODAAC and have ability to access inventory contained in Government supply programs for purposes of filling customer requirements. A commercial DOD Activity Address Code (DODAAC) or Unit Identification Code (UIC) and Routing Identifier Code (RIC) is required to procure HAZMAT material from Government sources of supply, contracted suppliers and Prime Vendors for MILSPEC items. This does not relieve the

Contractor of the responsibility of continuously seeking the best possible price on all 3PL HAZMAT material sold to Navy customers.

C-2.9.1 Covered items of supply

Federal Standard (FEDSTD) 313 specifies that commercially manufactured HAZMAT may be in the following Federal Supply Classes (FSC's): 1560, 1615, 1650, 2090, 2640, 2940, 2990, 3426, 3439, 4210, 4220, 4230, 4240, 4940, 5350, 5610, 5970, 6135, 6140, 6260, 6505, 6515, 6520, 6525, 6550, 6630, 6665, 6750, 6810, 6820, 6830, 6840, 6850, 7510, 7910, 7930, 8010, 8030, 8040, 8110, 8120, 8135, 8520, 9110, 9130, 9140, 9150, 9160, 9620. This PWS requires the 3PL HAZMAT provider to be capable of providing these products upon demand. This list is not all inclusive and may be subject to change.

C-2.9.2 3PL HAZMAT Quality Standards

The Contractor shall furnish commercial pack items which are on the Qualified Products List and which meet applicable Military Specification (MILSPEC), Military Performance Standard (MILSTD), Federal Specification (FEDSPEC), or Commercial Item Description (CID). The Contractor shall be held solely responsible for ensuring that all 3PL HAZMAT meets quality and packaging standards in accordance with MILSTD 129.

The Contractor shall employ the most current and highest quality standards as well as competition between their established network of suppliers to procure each item at the best value to the government, unless otherwise provided by this contract or unless otherwise directed by the contracting officer.

C-2.9.3 Returns

The Contractor shall accept returns or either refund the cost or replace the item, at the discretion of the Government, under the following conditions:

- Product was shipped in error
 - Example: The Government requested the Contractor to order item "A" however item "B" is delivered to HMC. The Government will not accept the material and the Contractor must coordinate with appropriate vendor to obtain item "A."
- Product was damaged during shipment
 - Example: Material ordered by the Contractor is delivered to HMC damaged; the Government will not accept the material. The Contractor must take appropriate action to replace damaged material.
- Product was recalled or determined to be obsolete
 - Example: 3PL HAZMAT material, while in storage at HMCs becomes recalled by manufacture or determined to be obsolete by Navy Program Managers. The Contractor is financially responsible for material disposition.

- Other actions consistent with Contractor's standard commercial practice

C-2.10 Title of Material

The Contractor retains title for contractor owned material until issued to the customer. The Government will not reimburse the contractor for Contractor owned 3PL Excess Inventory.

SECTION C-3 Performance Requirements

C-3.1 HAZMAT Material Inventory Support

The Contractor shall provide the government the initial demand based inventory and stocking levels required to support continuous customer requirement. The Government will provide historical sales data to the assist the contractor in establishing stocking objectives. Upon contract award the Government will allow the Contractor 60 calendar days to obtain full contract performance.

Standard: The Contractor shall have 90% of demand based inventory on hand by 61st calendar day of award or following business day.

C-3.1.1 Additions/Deletions to the Inventory

3PL HAZMAT product range and depth may be adjusted at any time during the performance of this contract based solely on customer requirements or technological changes. The Contractor shall be advised of these requirements in writing or changes through a change to the customer AUL or through the COR. The Contractor shall only add new items once they are placed on the customer AUL. Product substitutions shall be approved by the Government prior to procurement.

C-3.1.1.2 Physical Inventory and Accountability

The Government and the Contractor shall be jointly responsible for the accuracy of contractor owned inventory with respect to quantity, location, and ownership for all 3PL HAZMAT managed in GDS. The performance requirement for inventory accountability is 95 percent accuracy in IAW NAVSUP Instruction 723.

C-3.1.2 Point of Sale

The Contractor shall have an electronic Point of Sale (POS) system capable of processing customer Government Credit Card Transactions. Offline manual processing is acceptable during electronic system interruption or downtime. The Contractor shall process all manual transaction immediately upon system restoration.

Standard: The Contractor shall maintain 100% electronic Point of Sale capability.

C-3.1.2.1 Method of Payment

The purchase of HAZMAT material and/or supplies under this contract will be made by Government-wide Commercial Purchase Card (GCPC) as a method of payment or customer approved MILSTRIP line of accounting. The Contractor shall be capable of accepting and processing GCPC transactions and customer MILSTRIP requirements at each HMC.

Given that requiring the activities have the appropriate procuring authority. The GCPC will be utilized by organizations to procure up to the Simplified Acquisition Threshold (SAT) \$150,000.00 limit per transaction. Splitting requirements is not permitted and is strictly prohibited. The contractor will be responsible for validating the GCPC prior customer leaving the HMC sites with HAZMAT materials. The contractor is responsible for contacting the requiring activity making the purchase regarding payment problems.

The following statement shall be printed on all sales receipts:

1. Contract Number
2. Delivery Order Number (as applicable)
3. Unit Identification Code (UIC) with activity name and customer address
4. Sales Receipt Date
5. NSN/LSN/ (if applicable), Item number (from Schedule B Pricing Sheet), brief description, quantity issued/sold, unit price, and extended price
6. Signature line for customer to acknowledge receipt of merchandise
7. Line for customer to print their name

C-3.1.2.2 Product Pricing

A Material Handling Charge (MHC) shall be negotiated to account for all overhead, inventory losses (i.e. damaged, leaking, expired) and labor costs associated with material acquisition, transportation and POS transaction processing. All 3PL purchases for DLA / GSA hazmat items shall be priced at the contractor's cost inclusive of freight charges. The product pricing should be inclusive of labor/service costs directly to HAZMAT customers through a negotiated mark-up fee on HAZMAT material sales. The mark-up fee would be added to product pricing along with any other applicable fees on HAZMAT material sold.

C-3.1.3 GCPC Transactions

The Contractor shall only charge the customer's GCPC at time of material acceptance by customer.

Standard: The Contractor shall process 100% of all GCPC transactions in an automated system upon acceptance of material by customer. Payment of materials shall be considered as acceptance

C-3.1.4 Ordering Not in Stock Materials (NIS)

The Government will submit order requests to the Contractor for items not in inventory. The Contractor shall meet requirements specified here in table 5. When urgent requirements arise, the Contractor shall expedite the receipt of the 3PL HAZMAT to include overnight/express delivery as warranted to satisfy customer RDD. Transportation cost for expedited shipments must be approved by the customer in advance.

C-3.1.4.1 Compressed Gases Support

The Contractor may be required to provide Just in Time (JIT) support for compressed gas cylinder requirements and meet specified issue priorities listed in Table 5.

C-3.1.4.2 Issue Priorities

TABLE 5: Issue Priority Timelines

Carried / Not In Stock - Routine	3 Business Days
Carried / Not In Stock - Emergency / Work Stoppage	1 Business Days
Not Carried / Not In Stock - Routine	9 Business Days
Not Carried / Not In Stock – Emergency / Work Stoppage	7 Business Days

C-3.1.5 Stocking Criteria

C-3.1.5.1 Long Lead Time Stocking

The Contractor shall notify the Government of any Long Lead Time items which may take more than 10 days to receive from order placement.

C-3.1.5.2 Special Stocking Requirement

Any customer may request the stocking of particular AUL items for their exclusive use however; the requesting customer will be responsible to reimburse the Contractor for any item

determined to be no longer required or shelf life expired. Special stocked items must be approved by the customer department head.

C-3.1.5.3 Sole Source Procurement

On occasion, customer directed sole source procurement may be required and shall include justification in accordance with Federal Acquisition Regulations (FAR). Situations qualifying for sole source procurement may include, but are not limited to, incompatibility, cost of production, local environmental limitations, safety of flight, and manufacturers' warranties.

C-3.2 Receiving

C-3.2.1 Receiving of Contractor Ordered Materials

The Government and Contractor shall conduct a joint inspection of all incoming materials ordered by the Contractor, to ensure materials are properly labeled, correct quantity, proper Safety Data Sheets (SDS) and National Emissions Standards for Hazardous Air Pollutants Certificates (NESHAP) are received with material.

Standard: The Contractor shall ensure 100% of all materials ordered have required documentation IAW OSHA 1910.1200 and EPA standards.

C-3.2.2 Receiving of Contractor Ordered Material in to Government Designated Systems (GDS)

Upon completion of joint inspection by the Government and Contractor, the Government will accept and process Contractor ordered material into GDS. The Government will provide the Contractor a monthly receipt inventory report or as requested.

C-3.2.3 Storage of Contractor Ordered Material into Government Designated Systems (GDS)

Upon joint inspection of Contractor ordered material, the Government will process all transaction into GDS, to include physical storage of material on the shelf.

C-3.2.4 Misdirected Shipments

Upon receipt of any misdirected shipments, both Contractor and Government shall research to identify ownership. The Government will take appropriate action for any misdirected shipments in which the Contractor did not order.

C-3.3 Material Shelf-life

The Contractor shall ensure all materials ordered are within DOD 4140.27M requirements. Materials with less than 6 months Shelf-life will not be accepted by the

Government without prior approval. The Government and Contractor will conduct joint Shelf-life extension for Contractor owned materials. The Government will update Shelf-life information in GDS. Disposition of expired or damaged Contractor owned materials will be the responsibility of the Contractor.

Standard: The Contractor will seek 100% approval in writing prior to ordering any items with less than 6 months Shelf-life.

C-3.4 Green Products Procurement

The Contractor shall research and recommend suitable substitutions for Green products.

Standard: The Contractor must order Green products utilizing Federal Logistics Information System (FLIS) and Green Product Purchases (GPP) in accordance with DOD and SECNAV Directives and EO 13148.

C-3.5 Spill Control

The Contractor shall be financially liable for any spill of Contractor owned material. Refer to C-2.8.1 for general information.

Standard: The Contractor shall bear 100% cost for all Contractor related spills. The Government may allow the Contractor to establish an account withfor disposition of damaged or expired material.

C-3.6 Compressed Gas Cylinder Support

The Contractor shall provide just-in-time (JIT) support of gas cylinders, if required by the site.

C-3.7 Transfer of Contractor Owned 3PL HAZMAT to Waste Management Office

- a) Prior to the Government's removal of any damaged, defective, expired and Non-extendable contractor owned material from storage, the Government and Contractor will conduct a joint inspection.
- b) The Contractor shall be responsible for documenting and preparing required hazardous waste turn-in documentation for Contractor owned materials. It is the responsibility of the Contractor to fund disposal costs of Contractor owned material. The Contractor may establish an account with the Government Hazardous Waste Service Provider.
- c) The Contractor shall maintain a file on site of all HW transfer documentation.
- d) The Contractor shall provide to the HMC a manifest of all waste transported off-base by a licensed Hazardous Waste Service Provider.

C-4 Deliverables

C-4.1 Reports

The Contractor shall provide the Government with required automated reports, at the frequency as listed below.

Report Number 001	
Title:	Outstanding Requisition Report
SOW Ref.:	
Format:	
Due Date:	Weekly or as needed by the COR/ACOR

1. Outstanding Requisition Report: Contractor shall provide daily outstanding requisition status report for all customer requirements that were either Not in Stock or Not Carried at time requirement was submitted. Report should include Government reference number, status of Contractor procurement, and estimate ship date and shall be provided to the COR, ACOR, or Technical Point of Contact at the site the item was not in stock. The report shall include the following:

- I. FSC
- II. NIIN
- III. Nomenclature
- IV. Requisition Number
- V. Work Center
- VI. Not Carried/NIS
- VII. Price
- VIII. Date Requested
- IX. Quantity Requested
- X. Due Requisition Status
- XI. Status code
- XII. Source of supply
- XIII. ESD/EDD
- XIV. Comments (if applicable)

Report Number 002	
Title:	Not-in-Stock (NIS) Report:
SOW Ref.:	

Report Number 002	
Format:	
Due Date:	NLT the 5 th working day of each month for the previous month

2. Not-in-Stock (NIS) Report: Contractor shall provide a monthly report for Not-in-Stock items. The list shall include all NIS items, to include, but not limited to, the following data fields:

- I. Dates of all NIS hits
- II. Date requirement provided to contractor
- III. NIIN
- IV. Nomenclature
- V. Quantity Requested
- VI. Quantity Filled
- VII. H/L
- VIII. L/L
- IX. Last Issue Date
- X. Last Issue Quantity
- XI. Due Quantity (if applicable)
- XII. Due Requisition Number (if applicable)
- XIII. Due Requisition Status (if applicable)
- XIV. Date Resolved
- XV. Comments Pertinent to Resolution

Report Number 003	
Title:	Monthly Sales Report
SOW Ref:	
Format:	
Due Date:	NLT the 5 th working day of each month for the previous month

3. Monthly Sales Report: Contractor shall provide a monthly report of 3PL HAZMAT sales report. This shall serve as the "official record of sales" and must be provided to the COR NLT five days after the closed out billing period.

- I. Customer
- II. Stock Number
- III. unit of issue
- IV. qty
- V. standard price
- VI. extended price

Report Number 004	
Title:	Stock Status Report
SOW Ref:	
Format:	
Due Date:	NLT the 5 th working day of each month for the previous month

4. Stock Status Report: Contractor shall provide a monthly inventory report containing but not limited to:

- I. FSC
- II. NIIN
- III. Nomenclature
- IV. Price
- V. Quantity On Hand
- VI. H/L
- VII. L/L
- VIII. Last Issue Date
- IX. Last Issue Quantity
- X. Due Quantity (if applicable)
- XI. Due Requisition Number (if applicable)
- XII. Due Requisition Status (if applicable)
- XIII. Comments (if applicable)

Report Number 005	
Title:	Actual Customer (HMC) Wait Time Report For DTO Orders
SOW Ref:	
Format:	
Due Date:	NLT the 5 th working day of each month for the previous month

5. Actual Customer (HMC) Wait Time Report: Contractor shall provide a monthly actual customer wait time report containing but not limited to:

- I. FSC
- II. NIIN
- III. Nomenclature
- IV. Requisition Number
- V. Work Center
- VI. Not Carried/NIS
- VII. Price
- VIII. Quantity Requested
- IX. Last Issue Quantity

- X. Aging Criteria
- XI. Date Received
- XII. Date Issued
- XIII. Comments (if applicable)

Report Number 006	
Title:	Quarterly Sales Report
SOW Ref.:	
Format:	
Due Date:	NLT the 5 th working day after quarter ends

Report Number 007	
Title:	Quarterly NIS Report
SOW Ref.:	
Format:	
Due Date:	NLT the 5 th working day after quarter ends

Report Number 008	
Title:	Quarterly Stock Report
SOW Ref.:	
Format:	
Due Date:	NLT the 5 th working day after quarter ends

Report Number 009	
Title:	Market Basket Survey
SOW Ref.:	
Format:	
Due Date:	NLT the 5 th working day after quarter ends

C-5 APPLICABLE LAWS, EXECUTIVE ORDERS REGULATIONS AND POLICIES

The contractor shall comply with all laws, regulations, executive orders, local policies which govern 3PL HAZMAT operations now and in the future.

Table 6 : HAZMAT Regulations

Title	Date
NAVSUP COMFISCS INST 5090.1	8 May 2008
MILSTRIP P 409	9 May 2003
Green Products EO 13148	21 Apr 2000
OPNAVINST 5090.1	18 July 2011

C-6 Quality Assurance

C-6.1 Quality Control Plan

The contractor shall develop and maintain an effective quality control plan. The plan should detail the methodology to be used by the contractor to monitor and ensure that all requirements are met. A Quality Control Plan shall be submitted to the government within 30 days after contract award. After acceptance of the quality control plan, the contractor shall receive the contracting officer's acceptance in writing of any proposed change to his QC system.

C-6.2 Quality Assurance Surveillance Plan

The government shall evaluate the contractor's performance under this contract in accordance with a Quality Assurance Surveillance Plan (QASP). This plan is primarily focused on what the government must do to ensure that the contractor has performed in accordance with the performance standards. It defines how the performance standards will be applied, the frequency of surveillance, and the minimum acceptable quality level(s).

C-7 Special Requirements

C-7.1 Transition (Phase-In/Phase-Out)

- a) Phase-In - _____ (Contracting Officer determines) days after award, the phase-in period begins. Phase-in period is _____ days. The contract full performance start date shall be identified in the solicitation. The Contractor shall have all 3PL HAZMAT products at required inventory levels IAW transition timelines in C-3.1 of this PWS. During the phase-in transition period, the Contractor shall prepare to assume full responsibility for all areas of 3PL HAZMAT supply chain/inventory management functions in accordance with the terms and conditions of the contract. The Contractor shall take all actions necessary for a smooth transition from Contractor labor to

Government labor and Contractor to Contractor owned Inventory for Third Party Logistics as detailed in this PWS. If required, negotiations between Incumbent and Successor may be required during phase-in period, for buyout of existing Incumbent owned 3PL. During the phase-in transition period, the Contractor shall implement the proposed transition plan. All transition costs incurred during the phase-in period shall be borne by the Contractor.

- b) Phase-Out Transition Period - The Contractor shall develop a phase-out transition plan to affect a smooth and orderly transfer of contract responsibility to a successor. The plan shall fully describe how the Contractor will approach the following issues, at a minimum: removal of Contractor property, disposal/buyout of remaining 3PL HAZMAT inventory, and any other actions required to ensure continuity of operations by a successor or the government. The Contractor shall provide the phase-out transition plan to the COR within 30 days of the COR's request for same.
- c) Initially, the incoming Contractor, the outgoing Contractor and Government will conduct a joint inventory of existing hazardous material stock on shelf and on order to determine product condition and quantities. Valuation of inventory to be transferred to incoming Contractor will be jointly agreed upon and used as basis for repayment.
- d) Prior to the completion of this contract (to include option periods, if exercised), the contractor shall work with the successor contractor, if any, and the Government for a period not exceeding sixty days to phase-out this contract and transition to the new contract. The actual time for the phase-out will be determined by the Government at the time of transition.
- e) The Contractor shall remove all contractor-owned equipment and supplies from the premises within two business days of the expiration/termination of the contract. The Government will not buy-out excess contractor owned inventory at the expiration/termination of the contract.